

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
ASHEVILLE DIVISION**

IN RE:)	
)	
The Hammocks, LLC)	Chapter 11
d/b/a Richmond Hill Inn)	Case No. 09-10332
)	
Debtor)	
)	
WILLIAM G. GRAY and THE)	
HAMMOCKS, LLC)	
)	
Plaintiffs)	<u>NOTICE OF REMOVAL OF STATE COURT</u>
)	<u>ACTION TO BANKRUPTCY COURT</u>
vs.)	
)	
RICHMOND HILL, INC.;)	
ALBERT J. MICHEL; MARGE)	
MICHEL and ROBERT BLAND)	
HOLLAND,)	
)	
Defendants)	
)	

TO THE HONORABLE GEROGE R. HODGES, UNITED STATES BANKRUPTCY JUDGE, ALL PARTIES IN THE ABOVE-REFERENCED STATE COURT CIVIL ACTION HEREBY REMOVED, THE CLERK OF THE STATE COURT, AND THE CLERK OF THE UNITED STATES BANKRUPTCY COURT FOR THE WESTERN DISTRICT OF NORTH CAROLINA ASHEVILLE DIVISION:

PLEASE TAKE NOTICE that Richmond Hill, Inc., Albert J. Michel, and Marge Michel, by and through counsel, submit this Notice of Removal in accordance with Rule 9027 of the Federal Rules of Bankruptcy Procedure, 11 U.S.C. § 1452(1), and 28 U.S.C. § 157(a), and respectfully represents as follows:

1. The Hammocks, LLC filed a Voluntary Chapter 11 Petition on March 25, 2009, commencing a reorganization case (the "Chapter 11 case") which is pending before the United States Bankruptcy Court for the Western District of North Carolina, Asheville Division. The Chapter 11 case is designated as Case No. 09-10332. The Debtor is in possession pursuant to 11 U.S.C. § 1101, 1107 and 1108.

2. Richmond Hill, Inc., Albert J. Michel and Marge Michel are Secured Creditors of the Debtor.

3. At the time of the commencement of the Chapter 11 case, a State Court Civil Action (the "Civil Action") entitled William G. Gray and The Hammocks, LLC vs. Richmond

Hill, Inc., Albert J. Michel, Marge Michel and Robert Bland Holland was pending before the Buncombe County, North Carolina, General Court of Justice, Superior Court Division, (the "State Court"). The Civil Action is designated as File No. 08-CVS-5278. The Civil Action, until the filing of this Notice of Removal and the filing of a copy of this Notice of Removal with the State Court, was still pending before the State Court.

4. This Notice of Removal is accompanied by a copy of process and pleadings in the Civil Action in accordance with Rule 9027(1) of the Federal Rules of Bankruptcy Procedure. The term "pleadings" is defined by Rule 7 of the Federal Rules of Civil Procedure. Copies of the above-mentioned process and pleadings are to be filed contemporaneously with the filing of this Notice of Removal. If additional documents relating to the Civil Action are required, Richmond Hill, Inc. and the Michels will submit such documents.

5. The Civil Action, including all claims and causes of action asserted therein, is a Civil Action other than a proceeding before the United States Tax Court; and is not a Civil Action by a governmental unit to enforce such governmental unit's police or regulatory power. The Civil Action was initiated prior to the commencement of the Chapter 11 case.

6. The Civil Action is a civil proceeding related to the Chapter 11 case. The Bankruptcy Court presiding over the Chapter 11 case, pursuant to the general reference with respect to Title 11 cases in the Western District of North Carolina and 28 U.S.C. § 157, has jurisdiction of each and every cause of action asserted in the Civil Action under 28 U.S.C. § 1334. In the Civil Action, the Debtor asserts claims and seek damages relating to alleged unfair and deceptive actions by the Defendants at the time of the sale of the Richmond Inn to The Hammocks, LLC for the failure to allegedly disclose the existence of polybutylene pipes and leaks at the Inn and as set forth more particularly in the Civil Action Complaint. Richmond Hill, Inn and the Michels vigorously oppose all of Plaintiffs' claims and causes of action. All such claims and causes of actions have a clear and direct impact on the value of the property of the estate under 11 U.S.C. § 541. Resolution of the claims asserted in the Civil Action will significantly effect the administration of the Estate and would involve the allowance or disallowance of the claims against the Estate, Counterclaims by the Estate, attempts to obtain the property of the Estate, and proceedings affecting the liquidation of assets of the Estate and the adjustment of the Debtor/Creditor relationship.

7. All such proceedings are core proceeding under 28 U.S.C. § 157(A), (B), (C), (E), and (0). In the event that any claim or cause of action asserted in the Civil Action is determined to be non-core, Richmond Hill, Inc. and the Michels consent to the entry of Final Orders or Judgments by the Bankruptcy Judge.

8. While the principal of the Debtor, William Gray, has named himself as a Plaintiff in the Civil Action, he does not have standing in that proceeding and a Motion to Dismiss is pending in the State Court Action.

NOW THEREFORE, all parties to the Civil Action pending in the Buncombe County, North Carolina, General Court of Justice, Superior Court Division bearing File No. 08-CVS-5278, and entitled William G. Gray and The Hammocks, LLC vs. Richmond Hill, Inc., Albert J. Michel, Marge Michael and Robert bland Holland are **HEREBY NOTIFIED** pursuant to Rule 9027(e) of the Federal Rules of Bankruptcy Procedure, as follows:

Removal of the Civil Action and all claims and causes of action therein was effected upon the filing of a copy of this Notice of Removal with the Clerk of the State Court pursuant to Rule 9027(e) of the Federal Rules of Bankruptcy Procedure. The Civil Action is removed from State Court to the Bankruptcy Court presiding over the Chapter 11 case. The parties to the Civil Action shall proceed no further in the State Court unless and until the action is remanded by the Bankruptcy Court.

This the 18th day of May, 2009.

ROBERTS & STEVENS, P.A.

Marjorie R. Mann
NC State Bar No. 13202
Attorney for Richmond Hill, Inc., Albert J. Michel
And Marge Michel
P. O. Box 7647
Asheville, NC 28802
Phone: (828) 252-6600
Fax: (828) 210-6554
E-mail: mmann@roberts-stevens.com

CERTIFICATE OF SERVICE

This is to certify that the undersigned has this date served the foregoing Notice of Removal of State Court Civil Action to Bankruptcy Court upon the parties below by depositing a copy hereof in a postpaid wrapper in a Post Office or official depository under the exclusive care and custody of the United States Postal Service:

George Ward Hendon
Joy McIver
Attorneys for Plaintiffs
72 Patton Avenue
Asheville, NC 28801

Robert Bland Holland
P. O. Box 647
Waynesville, NC 28786

This the 18th day of May, 2009.

Marjorie R. Mann

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
ASHEVILLE DIVISION**

IN RE:)	
)	
The Hammocks, LLC)	Chapter 11
d/b/a Richmond Hill Inn)	Case No. 09-10332
)	
Debtor)	
)	
WILLIAM G. GRAY and THE)	
HAMMOCKS, LLC)	
)	
Plaintiffs)	<u>PROCESS AND PLEADINGS</u>
)	<u>ACCOMPANYING NOTICE OF</u>
vs.)	<u>REMOVAL OF STATE COURT ACTION</u>
)	
RICHMOND HILL, INC.;)	
ALBERT J. MICHEL; MARGE)	
MICHEL and ROBERT BLAND)	
HOLLAND,)	
)	
Defendants)	
)	

The attached process and pleadings are respectfully submitted by Richmond Hill, Inc., Albert J. Michael and Marge Michel, and accompanying their Notice of Removal of State Court Civil Action pursuant to 28 U.S.C. § 1452 and Rule 9027 of the Federal Rules of Bankruptcy Procedure. The attached process and pleadings are to be filed contemporaneously with the filing of the Notice of Removal and relate to the Civil Action previously pending in Buncombe County, North Carolina, General Court of Justice, Superior Court Division as File No. 08-CVS-5278, and removed to the Bankruptcy Court.

This the __ day of May, 2009.

ROBERTS & STEVENS, P.A.

Marjorie R. Mann
NC State Bar No. 13202
Attorney for Richmond Hill, Inc., Albert J. Michel
And Marge Michel
P. O. Box 7647
Asheville, NC 28802
Phone: (828) 252-6600